



Federal Communications Commission
Consumer & Governmental Affairs Bureau
Washington, D.C. 20554

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98-67✓

CGB

August 10, 2004

Control No. 0402322-Pol

The Honorable Don Nickles
United States Senate
133 Hart Senate Office Building
Washington, D.C. 20510-3602

DOCKET FILE COPY ORIGINAL

Dear Senator Nickles:

Thank you for your letter of July 12, 2004, on behalf of your constituent, Ms. Vicki Hutchinson, expressing her concerns regarding Video Relay Service (VRS), a form of telecommunications relay service (TRS).

Ms. Hutchinson asks that the Federal Communications Commission (Commission or FCC) not further reduce the VRS compensation rate until VRS becomes available 24 hours per day, 7 days per week, with high quality services and accessibility. She also asks the Congress to overturn the FCC's decision refusing reimbursement for Video Mail.

As an initial matter, the rate for compensating VRS providers is not dependent on whether the service is offered on a 24/7 basis or vice versa. Since VRS is not a mandatory form of TRS, there is no requirement that it be offered on a 24/7 basis. However, there is nothing to prevent VRS providers from offering the service on a 24/7 basis. TRS providers are currently operating under waivers of that rule so that they do not have to provide the service on a 24/7 basis, but may still be compensated from the Interstate TRS Fund (the Fund).

We also note that, as a practical matter, the Commission neither "raises" nor "reduces" the TRS compensation rates, but adopts them on an annual basis, based on projected cost and usage data submitted by the providers. This data is submitted to the National Exchange Carrier Association (NECA), which is the TRS Fund administrator. Each year, NECA reviews these submissions and recommends a compensation rate to the Commission. For the July 2004 to June 2005 Fund year, NECA submitted a proposed VRS compensation rate of \$7.293 per minute. On June 30, 2004, the Consumer & Governmental Affairs Bureau (the Bureau) issued an Order (DA 04-1999) approving NECA's proposed rate, subject to adjustments discussed in the Bureau's Order. A copy of that Order (DA 04-1999) is enclosed.

We further note that VRS continues to grow rapidly in popularity, despite the fact it is not available on a 24/7 basis. In fact, although VRS has been available only for the past two and a half years, in the past year alone the use of VRS has increased from 211,529 minutes in June 2003, to 733,040 minutes in May 2004. We also note that we are continuing to raise and address new issues as provision of this important service evolves. On June 30, 2004, the Commission released an order that included a Further Notice of Proposed Rulemaking

(FNPRM), in CG Docket No. 03-123 (FCC 04-137), seeking comment on various matters concerning, *inter alia*, VRS. Specifically, with regard to VRS, the FNPRM seeks comment on the appropriate cost recovery methodology for VRS; whether the Commission should adopt jurisdictional separation of costs for VRS so that all VRS costs are not reimbursed from the federal Interstate TRS Fund; whether VRS should become a mandatory form of TRS; whether VRS should be required to be offered 7 days a week, 24 hours a day; and whether a "speed of answer" rule should be applied to the provision of VRS. A copy of the Report & Order, Order on Reconsideration and Further Notice of Proposed Rule Making that was released by the Commission on June 30, 2004, is also enclosed.

With regards to Ms. Hutchinson's request that Congress "reconsider reimbursement of video mail," the Commission has made no such determination. In fact, we note that a Public Notice (CG Docket 03-123, DA 04-2062) was released on July 9, 2004, seeking comment on whether the provision of Video VRS Mail to deaf and hard of hearing persons is eligible for compensation from the Interstate TRS Fund. After we review all of the comments on this issue, we will address the matter.

To the extent Ms. Hutchinson has concerns about the provision of VRS, we encourage her to actively participate in proceedings before the Commission to ensure that her opinions are expressed and considered fully. The Commission has available an e-mail service designed to apprise consumers about developments at the Commission, to disseminate consumer information materials prepared by the Commission to a wide audience, and to invite comments from other parties on Commission regulatory proposals. This free service enables consumers to subscribe and receive FCC fact sheets, consumer brochures and alerts, and public notices, among other consumer information. To subscribe, an individual should send an e-mail to subscribe@info.fcc.gov and, in either the subject line or the message insert: "subscribe fcc-consumer-info first name last name" (e.g., "subscribe fcc-consumer-info John Doe").

We also invite Ms. Hutchinson to visit the Consumer & Governmental Affairs Bureau's Internet web site at <http://www.fcc.gov/cgb> or the Commission's Home Page located at <http://www.fcc.gov>.

We have placed a copy of Ms. Hutchinson's correspondence in the public record for this proceeding. We appreciate your inquiry. Please do not hesitate to contact us if you have further questions.

Sincerely,



K. Dane Snowden

Chief

Consumer & Governmental Affairs Bureau

Enclosures

DON NICKLES
OKLAHOMA

United States Senate
WASHINGTON, DC 20510-3602

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FINANCE
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RESOURCES
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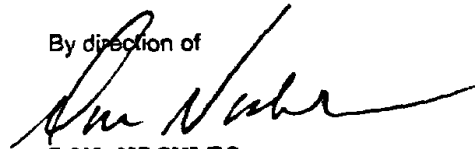
July 12, 2004

Respectfully referred to

Federal Communications Commission

for such consideration as the communication herewith submitted may warrant, and for a report thereon, in duplicate to accompany return of enclosure.

By direction of



DON NICKLES
U.S. Senator

Please reply to Catherine Woody of my staff.

20 JUL 2004 RCUD

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PONCA CITY, OK 74604
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Senator Nickles, US

From: grandy5okie@yahoo.com
Sent: Thursday, June 24, 2004 5:48 PM
To: Senator Nickles, US
Subject: Webform E-mail

Webform E-mail - submitte on 06/24/2004 at 05:48:21 PM:

Full Name: Ms. Vicki Hutchinson
Email Address: grandy5okie@yahoo.com
Address 1: 4708 South 33rd West Avenue
Address 2:
City, State Zip: Tulsa, OK 74107
Home Phone: n/a
Work Phone:
Topic: Economy and Finance
Message: Vicki Hutchinson
4708 South 33rd West Avenue
Tulsa, OK 74107

June 24, 2004

The Honorable Don Nickles
United States Senate
133 Hart Senate Office Building
Washington, D.C. 20510-3602

Senator Nickles:

I have suffered from a deteriorating quality of Video Relay Services (VRS). Please ensure that the FCC makes no further reductions in the VRS interim rate until VRS functional equivalency is achieved, including the completion of the FCC's process for determining the cost recovery methodology, and until VRS is available 24/7 with high quality interpreters and a reasonable average speed of answer. Please also reconsider reimbursement of video mail, as I need a way for hearing people to leave me a message.

Sincerely,

Vicki L Hutchinson

6/25/2004